

REPORT

CD NO.

25X1

COUNTRY

Austria.

DATE DISTR. 16 March 1954

SUBJECT

1. Surplus Materials at the Neusiedl Central Warehouse of the SMV
2. Activities of the SMV Purchasing Office

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Austria (SMV), surplus mater [REDACTED] the value of approximately 47,000,000
schillings was in storage on [REDACTED] 1977. Much of the material consisted of
drilling pipes and other items no longer being used at the SMV but whose import
from the Soviet Union could not be stopped. As a result of improper storage and
resulting corrosion, the actual value of much of the equipment is only ILLEGIB
scrap iron.

2. Diesel motors from the MAN factory at Augsburg, Germany, are also accumulating at Z.M.N. Plans to export these motors to China were not realized to the extent anticipated.
3. As of 8 December 1953, due to a new economy drive, the SMV purchasing office (Techsnab) was not forwarding any purchase orders to Austrian firms. All firms which hold purchase orders have been told to wait four months unless they can get the goods in time. Purchase resumption is expected in January 1954.
4. Since the beginning of January 1954, Techsnab has been offering material stored at Z.M.N. for sale to Austrian and USIA firms as well as to foreign firms. Contrary to previous practice, some recently purchased materials which is still in constant demand (e.g. rubber swabs) has been offered.
5. As of 22 December 1953, Techsnab was to start delivering material to the Van Sickle firm. The first delivery order consisted of 6,000 meters of tubing of 147-millimeter diameter.
6. Previous to the economy drive of 1953 the following purchases were made:
 - a. Barite, sulphuric acid, caustic soda and calcinated soda worth 4,000,000 Austrian schillings.
 - b. Spare parts for the refineries worth 1,000,000 schillings.
 - c. High pressure equipment worth 1,000,000 schillings.

25 YEAR RE-REVIEW

CLASSIFICATION

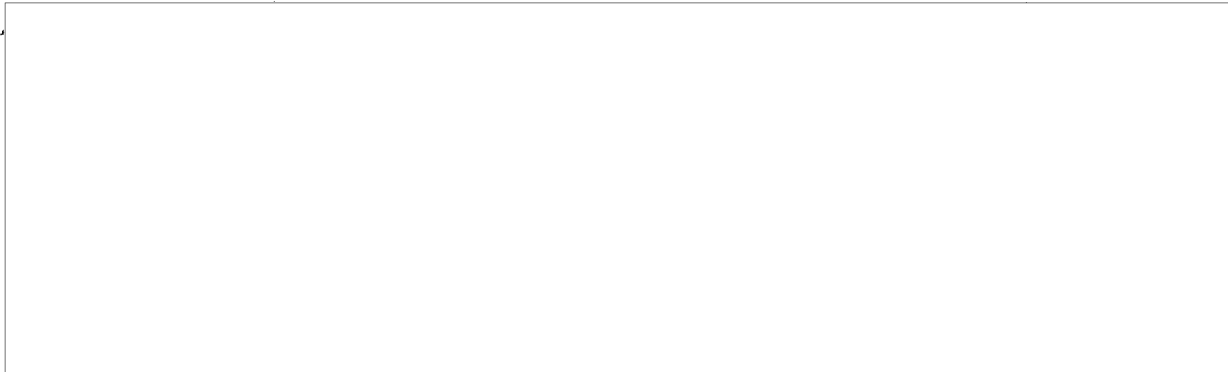
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9. The Hungarian nationalized concern Chemolimpex, Budapest, with which the SMV has business transactions, had a Vienna representation under the cover of the Wiener Aussenhandels Gesellschaft, Fuehrichgasse 1, Vienna I. The manager of this concern is Director Heim (fnu). *0551POV*
- ✓ 10. The office of SEB Matzen was moved completely to Schoenkirchen in December 1953, and is now known as SEB Schoenkirchen. The original plan to combine the administrative offices of SEB Matzen and Bockfliess under [redacted] or is still in a developmental stage, since the two directors [redacted] and [redacted] are both trying to be assigned the new position and [redacted] could be reached.
11. Techsnab is planning to reduce its present force of 52 employees to an operating minimum of seven people by 1 June 1954. On 15 February 1954, all employees with less than two years service will be terminated. The remaining employees will receive subsequent notices, so that the planned minimum will be reached in June 1954. All other SMV units are expected to sustain reductions.

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